

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
GRINDWELL NORTON LIMITED

Certificate for Commencement of Business.



Pursuant to section 103 (2) of the Indian Companies Act, 1913.)

I hereby certify that the Grindwell Abrasives Limited

which was incorporated under the Indian Companies Act, 1913, on the Thirty-first day of July 1950 and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 103 (1) (a) to (d) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at Bombay  
this Eighth day of November  
One thousand nine hundred and Fifty.

*[Signature]*  
Registrar of Joint-Stock Companies.  
Bombay.

J. S. C. 35.

M. P. P. Ltd. -C/1465/49 P.J. (M.F.P.) -O.P. 782/civil Dt.14-12-48-10,000.





## Certificate of Incorporation.

No. 8163 of 1950 -19 51.

I hereby certify that Grindwell Abrasives  
Limited.

is this day incorporated under the Indian Companies'  
Act, VIII of 1913, and that the Company is  
Limited.

Given under my hand at Bombay  
this Thirty-first day of July  
One thousand nine hundred and Fifty.

*Behramji Rameshji*

Registrar of Joint-Stock Companies  
Bombay.



**CERTIFICATE OF INCORPORATION**

**No. 8163/TA**

**CERTIFICATE OF CHANGE OF NAME  
IN THE OFFICE OF THE REGISTRAR OF COMPANIES,  
UNDER THE COMPANIES ACT, 1956.**

**IN THE MATTER OF M/S. GRINDWELL ABRASIVES  
LIMITED**

I do hereby certify that pursuant to the provisions of Section 28 of Companies Act, 1956, and under the order of the Regional Director, Western Region, Government of India, Ministry of Industrial Development, Internal Trade and Company Affairs, Department of Company Affairs (Company Law Board), by their No. RD : D : 19(21)5/71.

dated the 22nd June 1971

to the address of M/s. Grindwell Abrasives Limited  
Army & Navy Building,  
Mahatma Gandhi Road, Bombay-1.

the name of M/s. Grindwell Abrasives Limited.

has this day been changed to M/s. Grindwell Norton Limited and that the said Company has been duly incorporated as a Company under the provisions of the said Act.

Dated this 23rd day of June, one thousand nine hundred and seventy one.



Sd/- R. N. BANSAL  
Registrar of Companies,  
Maharashtra, Bombay.



No.11-8163

(Section 18(1) of the Companies Act, 1956)

CERTIFICATE OF REGISTRATION OF  
SPECIAL RESOLUTION PASSED FOR  
ALTERATION OF OBJECTS

GRINDWELL NORTON LIMITED

having by Special Resolution passed on 16/09/2004  
altered the provisions of its Memorandum of Association  
with respect to its objects, and a copy of the said  
resolution having been filed with this office on 30/09/2004  
I hereby certify that the Special Resolution passed  
on 16/09/2004 together with the printed copy  
of the Memorandum of Association, as altered, has this day  
been registered.

Given under my hand at MUMBAI

this NINETEENTH day of JANUARY

Two thousand FIVE.



(M.V.CHAKRANARAYAN)  
DEPUTY REGISTRAR OF COMPANIES,  
MAHARASHTRA, MUMBAI



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)

उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L26593MH1950PLC008163

मैसर्स GRINDWELL NORTON LIMITED

के अंशधारकों ने दिनांक 17/03/2011 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा मुंबई में यह प्रमाण-पत्र, आज दिनांक तीस मार्च दो हजार ग्यारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Maharashtra, Mumbai

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

Corporate Identity Number : L26593MH1950PLC008163

The share holders of M/s GRINDWELL NORTON LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 17/03/2011 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this Thirtieth day of March Two Thousand Eleven.



  
(HENRY RICHARD)

कम्पनी रजिस्ट्रार / Registrar of Companies  
महाराष्ट्र, मुंबई  
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

GRINDWELL NORTON LIMITED

5TH LEVEL, LEELA BUSINESS PARK, ANDHERI-KURLA ROAD, MAROL, ANDHERI EAST,

MUMBAI - 400059,

Maharashtra, INDIA





THE INDIAN COMPANIES ACT, 1913.

(As amended by the Indian Companies Amendment Act, 1936)

COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION  
OF  
GRINDWELL NORTON LTD.

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- I. The name of the Company is GRINDWELL NORTON LTD.
- II. The Registered Office of the Company will be situate in the State of Bombay in the Union of India.
- III. The objects for which the Company is established are :-
  1. To carry on the business of manufacturers of and dealers in artificial and/or natural abrasive and polishing products and materials of all kinds and shapes whatsoever, vitrified products of all kinds and shapes and refractory and resistance materials, abrasive papers and cloths and all kinds of tools and machines.
    - 1A. (a) To engage in and carry on the business as manufacturers of and dealers in electronic items, products, assemblies, sub-assemblies, components and raw materials.
    - (b) To engage in and carry on the business as manufactures of and dealers in all kinds of chemicals,metals and their allied products.
    - (c) To engage in and conduct the business of scientific research and carry on investigations and experiments of all kinds, to originate, develop and improve any discoveries, inventions, processes and formulae.
    - (d) To establish and carry on the business as merchants, traders, commission agents, buying agents, selling agents, contractors, importers and exporters of all types of goods.
  2. To take over and acquire the business of Grindwell Ltd., a Private Limited Company in the State of Bombay, together with the Machinery, Plants, Structures, Leases, Rights, Privileges, Benefits, Trade-marks, Goods, Stores, Stock-in-trade, Book Debts and Goodwill thereof on the basis of the Company's audited Balance Sheet as on 31st December 1949 with the liabilities shown in the Balance Sheet as on 31st December 1949 and provided for in the agreement between Grindwell Ltd. of the one part and Rustom D. Sidhwa as Promotor of the Company of the other part, as also the business of the Company in the State of Bombay on

the basis of a going concern as from 1st January 1950, save and except the Assets and Liabilities which appear in the said Balance Sheet as on 31st December 1949 specifically referred to in the said agreement between Grindwell Ltd. of the one part and Rustom D. Sidhwa as Promotor of the other part amounting to Rs. 3,61,156-6-9 and Rs. 5,59,216-7-7 respectively. The sale to be on terms and for the price mentioned in the said agreement between Rustom D. Sidhwa, Promotor of the Company of the one part and the said Grindwell Ltd. of the other part and to disburse expenses paid or incurred in that behalf and to do all acts necessary for carrying out the said transaction.

3. To carry on the business of manufacturers of and dealers in Grinding Wheels of all types, shapes, sizes and materials whatsoever.
4. To carry on the business of manufacturers of and dealers in all types and kinds of abrasive grains used for grinding wheels which may be known as abrasive grains or otherwise and inclusive of Aluminium Oxide, Silicon Carbide and all other types of abrasive grains whatsoever.
5. To buy, sell and deal in all kinds of abrasive, polishing vitrified, refractory, and resistance products, and materials and all tools and machines used in connection with the manufacture, repair and maintenance of all or any such products and materials.
6. To purchase or otherwise acquire, issue, re-issue, sell, place and deal in other shares, stocks, bonds, debentures and securities of all kinds, and to give any guarantee or security for the payment of dividends or interest thereon or otherwise in relation thereto.
7. To negotiate loans, to lend money, securities and other property, to discount bills and securities, to become sureties and guarantors for the purposes of the business of the Company.
8. To carry on the business of a storekeeper in all its branches and in particular to buy, sell, manufacture and deal in goods, stores, consumable articles, chattels and effects of all kinds, both wholesale and retail, and to transact every kind of agency business and generally to engage in any business or transaction which may seem to the Company directly or indirectly conducive to the interest or convenience of the Company's business.
9. To make arrangements with persons engaged in any trade, business or profession, for the concession to the Company's members, ticket-holders and their friends, of any special rights, privileges and advantages, and in particular in regard to supply of the goods.
10. To carry on all or any of the businesses of house decorator, sanitary engineers, electrical engineers and contractors in all their branches, gasfitters, land estate and house agents, builders, contractors, warehousemen, carriers, storekeepers and warehousekeepers.

11. To buy, sell, manufacture, repair, alter or exchange, let on hire and deal in all kinds of articles and things which may be required for the purpose of any of the said businesses or commonly supplied or dealt in by persons engaged in any such businesses, or which may seem capable of being profitably dealt with in connection with any of the said businesses.
12. To provide and conduct refreshment rooms, newspaper rooms, reading and writing rooms, dressing rooms, telephones and other conveniences for the use of customers and others.
13. To purchase or otherwise acquire any interest in any patents, brevets d'invention, licences, concessions and the like conferring an exclusive or non-exclusive or limited right to use the same or any secret or any other information as to any invention in relation to the business of the Company or generally any invention which may seem to the Company capable of being profitably dealt with.
14. To use, exercise, develop, grant licences in respect of or otherwise to turn to account any such patents, brevets d'invention, licences, concessions and the like information aforesaid.
15. To purchase for investment or resale and to traffic in land and house and other property of any tenure and any interest therein and to create, sell and deal in freehold and leasehold ground rents, and to make advances upon the security of land or house or other property or any interest therein, and generally to deal in and/or traffic by way of sale, lease, exchange or otherwise with land and house property and any other property whether real or personal.
16. To carry on the business of manufacturers of bricks, tiles, pipes, potteries, earthenware, china and terra cotta and ceramic ware of all kinds.
17. To carry on the business of paviors and manufacturers of and dealers in artificial stone, whether for building, paving or other purposes.
18. To purchase, take on lease or in exchange or otherwise acquire any lands and buildings in India and any estate or interest in and any rights connected with any such lands and buildings.
19. To develop and turn to account any land acquired by the Company or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up and improving buildings, and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders tenants and others.

20. To construct, maintain, improve, develop, work control and manage any waterworks, gasworks, reservoirs, roads, tramways, electric power, heat and light supply works, telephone works, hotels, clubs, restaurants, baths, places of worship, places of amusement, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies and other works and conveniences which the Company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction, maintenance, development, working control and management thereof.
21. To carry on all or any of the following businesses, namely builders and contractors, decorators, merchants and dealers in statutes, monuments, fountains, stone, sand and lime bricks, timber, hardware and other building requisites, brick and tile and terra-cotta makers, job-masters, carriers and house agents.
22. To lend money, either with or without security and generally to such persons and upon such terms and conditions as the Company may think fit and in particular to persons undertaking to build on or improve any property in which the Company is interested, and to tenants, builders and contractors.
23. To carry on any other business which may seem to be capable of being conveniently or advantageously carried on in connection with the above or calculated directly or indirectly to enhance the value of or to render profitable any of the Company's rights and undertakings.
24. To purchase, take on lease or in exchange, hire or otherwise acquire and hold any estate or interest in lands, building, easements, rights, privileges, concessions, machinery, patents, plant, stock-in-trade and any movable or immovable property of any kind necessary or convenient for the Company's business whether in India or any other part of the world.
25. To erect, construct, lay down, enlarge, alter and maintain any buildings works and machinery necessary or convenient for the Company's business.
26. To borrow, raise or secure the payment of money for the purposes of or in connection with the Company's business.
27. To mortgage and charge the undertaking and all or any of the movable and immovable property, present or future, and all or any of the uncalled capital for the time being of the Company, and to issue at par or at premium or discount or for such consideration as may be thought fit debentures, mortgage, debentures and debenture stock payable to bearer or otherwise and either permanent or redeemable or repayment and collaterally or further to secure any securities of the Company by a trust deed or other assurance.
28. To issue and deposit any securities which the Company has power to issue by way of mortgages, to secure any sum less than the nominal amount of such securities, and also by way of security for the performance of any contracts or obligations of the Company.

29. To receive money on deposit or loan upon such terms as the Company may approve, and to guarantee the debts and contracts of customers and others.
30. To make advances to customers and others with or without security and upon such terms as the Company may approve, and generally to act as bankers for customers and others.
31. To grant pensions, allowances and bonuses to employees or ex-employees of the Company inclusive of payment of premiums on Life Policies of employees or the dependents of such persons and to establish and support or to aid in the establishment and support of any schools and any educational, scientific, literary, religious or charitable institution or trade societies, whether such societies be solely connected with the trade carried on by the Company or not, and any club or other establishment calculated to advance the interests of the Company or of the persons employed by the Company.
32. To make accept, endorse and execute promissory notes, bills of exchange, hundies and other negotiable or transferable securities and to lend money to such person or persons, firm or Company and on such terms as may seem expedient and to give any guarantee or indemnity that may seem directly or indirectly conducive to any of the objects.
33. To invest and deal with the moneys of the Company not immediately required in or upon such securities and in such manner as may from time to time be determined, and to open current or fixed deposit accounts with any bank or banks, bankers, shroffs or merchants and to pay into and draw moneys from such accounts.
34. To pay for any property or rights acquired by the Company either in cash or fully or partly paid up shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or in debentures or debenture stock, mortgages or other securities of any Company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
35. To accept payment for any property or rights sold, or otherwise disposed of or dealt with by the Company, either by cash instalments or otherwise, or in fully or partly paid up shares of any Company or corporation, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise or in debentures or debenture stock, mortgages or other securities of any Company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
36. To enter into partnership or any joint venture arrangement or any arrangement for sharing profits, union in interest or co-operation with any Company, firm or person carrying on or proposing to carry on any business within the objects of this Company, and to acquire and hold shares, stock or securities of any such Company.

37. To establish or promote or concur in establishing or promoting any other Company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of or shall be in any manner calculated to advance directly or indirectly the objects or interests of this Company, and to acquire and hold shares, stocks or securities of and guarantee the payment of any securities issued by or any other obligations of any such Company, and to establish and maintain agencies in any part of the world for the sale of any materials or things for the time being at the disposal of the Company.
38. To purchase or otherwise acquire and undertake all or any part of the business property, liabilities and transactions of any persons or Company carrying on any business which this Company is authorised to carry on, or possessed of property suitable for the purpose of this Company.
39. To sell, improve, manage, develop, turn to account, change, let on rent, royalty, share of profits or otherwise grant licences, easements and other rights of and over, and in any other manner deal with or dispose of the undertaking and all or any of the property for the time being of the Company for such consideration as the Company may think fit.
40. To amalgamate with any other Company whose objects are or include objects similar to those of this Company, whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking subject to the liabilities of this or any such other Company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid up shares or otherwise) of all the shares or stock of this or any such other Company as aforesaid or by partnership, or any arrangement of the nature of partnership or in any other manner.
41. To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
42. To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise, and to do all such other things as are incidental or conducive to the objects or any of them.
43. To appoint agents and constitute agencies of the Company in India or elsewhere.
44. To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guarantee the placing of any of the Shares of the Company's capital or any Debentures or other securities of the Company and pay all costs, charges and expenses incurred in or about the formation or promotion of the Company or acquisition of property by the Company or the conduct of its business, or which the Company shall consider to be preliminary.

45. To sell the undertaking of the Company or any part thereof for such consideration as the Company may think fit.
46. To accept deposits from members of the Company either in advance of calls or otherwise and generally to borrow or raise or secure the payment of the money, and for those or other purposes to mortgage or charge the whole or any part of the undertaking and property and rights of the Company, present or subsequently acquired.
47. To pay the costs, charges and expenses, preliminary and incidental, to the promotion and formation of the Company.
48. To execute, adopt and carry into effect either with or without any modification all or any of the said Agreements which are annexed to the Articles of Association.
49. To subscribe or contribute to or otherwise to assist any political party, or any public charitable, benevolent, religious, scientific or national institutions.
50. To undertake, carry out, promote, sponsor or assist in the execution and promotion of any programme of rural or community development, including any programme for promoting the social and economic welfare of, or the uplift of the public and to incur expenditure on any such programme of rural development with power to the Directors to transfer, with or without consideration, or divest the ownership of any property of the Company, to or in favour of any person or persons, including any public or local body or authority, Central or State Government, any public institution or any trust or fund as the Directors may in their sole and absolute discretion decide.
- \* 51. To engage in and carry on the business as manufacturers, exporter, importer, dealer and trader in:
  - (a) flat glass, glass containers, and all other articles or products made of glass.
  - (b) glass fibre, glass fibre reinforcements, and glass fibre insulation material.
  - (c) building materials of all kinds.
  - (d) ductile iron pipes.
- \* 52. To invest in shares, debentures and or any other securities of private or public limited Companies, whether the latter be listed on the stock exchange or not.
- \* Inserted by Special Resolution passed at the Annual General Meeting held on 25<sup>th</sup> July, 1996 and confirmed by the Company Law Board vide its order dated 13<sup>th</sup> May, 1997.

\* 53. To carry on the business of leasing and hire purchase finance and/or providing deferred payment facilities and to provide on lease, hire purchase or on deferred payment basis, all types of assets including industrial plants, equipments, machineries, buildings, undertakings and other movable and immovable properties.

\* Inserted by Special Resolution passed at the Annual General Meeting held on 17<sup>th</sup> July, 1998.

\*\* 54. To carry on the business of rendering the following types of services in India or outside India:

a) consultancy/ services in the field of engineering, civil, mechanical, electrical, chemical, software, hardware, design, drawings, agricultural etc.

b) consultancy/services in the field of design, drawings, engineering, planning, project management, plant construction and plant supervision, procurement, erection and commissioning of projects.

c) designing and/or construction of whole or part of plants, or industrial complexes.

\*\* Inserted by Special Resolution passed through Postal Ballot, the results of which were declared by the Vice-Chairman on 16<sup>th</sup> September, 2004

\*\* 55. To engage in and carry on the business as manufacturers, exporters, importers, dealer and trader in

1. All types of engineered, high performance polymer products inclusive of polymer coated fabrics, fabric laminates, films, polymer products used for thermal application, automotive application, flour polymer films, silicone and polymer extruded, moulded products, silicone tubing extrusions, seals and polymer components.

2. All types of woven fabric with glass fiber or any polymer including reinforcements, nets etc."

\*\* Inserted by Special Resolution passed through Postal Ballot, the results of which were declared by the Managing Director on 17<sup>th</sup> March, 2011

IV. The liability of the members is limited.

\*\*\* V. The Authorised Share Capital of the Company is Rs. 66,00,00,000/- (Rupees Sixty Six Crores only) divided into 13,20,00,000 (Thirteen Crores Twenty Lacs) equity shares of Rs. 5/- (Rupees Five only) each with the rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being, with the power to increase and reduce the Capital of the Company and to divide the shares of the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary modify or abrogate any such rights, privileges or conditions in such manner as may the time being be provided by the regulations of the Company.

\*\*\* a) Inserted by an Ordinary Resolution passed through Postal Ballot on 7<sup>th</sup> July 2016.

b) Amended pursuant to the Scheme of Merger by absorption of PRS Permacel Private Limited with Grindwell Norton Limited and their respective Shareholders under Section 230-232 of the Companies Act, 2013, sanctioned by the National Company Law Tribunal, Mumbai Bench vide its Order dated June 22, 2023.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by Each Subscribers	Name, Addresses and Description of Witnesses
Mr. D. J. Poonawalla No. 4, Colaba Causeway Mendbot Road, Fort, Bombay. (Industrialist)	1 (One)	Pervez K. Mazagonwalla Solicitor Lentin Chambers, Dalal street, Fort, Bombay 400 001.
Mr. K.H. Doongaji 27, Souter Street Byculla, Bombay 400 009. (Merchant)	1 (One)	-do-
Mr. R.D. Sidhwa 53, Queens Road, Bombay 400 021. (Industrialist)	1 (One)	-do-
Mr. F.B. Lima 'Krishnabad', Warden Road, Bombay 400 026. (Technician)	1 (One)	-do-
Mr. E.J. Kaufman-Kavan 'Rocksides', Walkeshwar Road, Bombay (Technician)	1 (One)	-do-
Mr. N.D. Sidhva 17, Oliver Road, Jer Manzil, Bombay. (Technician)	1 (One)	-do-
Mr. P.M. Dalal Wadia Building Princess Street, Bombay 400 002. (Advocate, High Court Bombay.)	1 (One)	-do-
<b>TOTAL</b>	<b>7 (Seven)</b>	



THE COMPANIES ACT, 1956

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COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION  
OF

GRINDWELL NORTON LTD.

**PRELIMINARY**

1. No regulations contained in Table A, in the First Schedule to the Companies Act, 1956, or in Schedule to any previous Companies Act, shall apply to this Company, but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

Table A not to apply but Company to be governed by these Articles.
2. In the interpretation of these Articles, unless repugnant to the subject or context:-

The "Company" means "Grindwell Norton Limited" established under the Memorandum of Association to which these articles are annexed.

"The Act" means "The Companies Act 1956", or any statutory modification or re-enactment thereof for the time being in force.

"Auditors" means and includes those persons appointed as such for the time being by the Company.

"Board" means a meeting of the Directors duly called and constituted, or, as the case may be, the Directors assembled at a Board, or the requisite number of Directors including Alternate Directors entitled to pass a circular resolution in accordance with these Articles.

Interpretation clause.

"The Company" or "this Company."

"The Act"

"Auditors."

"Board."

“Capital.”	"Capital" means the capital for the time being raised or authorised, to be raised for the purposes of the Company.
“Court.”	"Court" means the High Court of Bombay.
“Debenture.”	"Debenture" includes Debenture Stock.
“Directors.”	"Directors" means the Directors for the time being of the Company, or as the case may be, the Directors assembled at a Board or acting by Circular under the Articles.
“Gender”	Words importing the masculine gender also include the feminine gender.
“In writing” and “Written”	"In writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.
“Marginal notes” and “Catch lines”	"The Marginal notes" and "Catch lines" hereto shall not effect the construction hereof.
“Members”	"Members" mean the duly registered holders, from time to time, of the shares of the Company.
“Meeting” or “General Meeting”	"Meeting" or “General Meeting” means a meeting of Members.
“Annual General Meeting”	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act.
“Executive Committee”	"Executive Committee" means the Executive Committee constituted or proposed to be constituted under these Articles.
“Meeting Extraordinary General Meeting”	"Extraordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.
“Month”	"Month" means a calendar month.
“Office”	"Office" means the Registered Office for the time being of the Company.
“Paid-up”	"Paid-up" includes credited as paid.
“Persons”	"Persons" include corporations and firms as well as individuals.

"Proxy" means any instrument whereby any person is authorised to vote for a member at a General Meeting or Poll.	"Proxy"
"Register of Members" means the Register of Members to be kept pursuant to the Act.	"Register of Members"
"The Registrar" means the Registrar of Companies.	"The Registrar"
"Secretary" includes a temporary or Assistant Secretary and any person or persons appointed by the Board to perform any of the duties of a secretary.	"Secretary"
"Seal" means the Common Seal for the time being of the Company.	"Seal"
"Share" means share in the share capital of a Company, and includes stock except where a distinction between stock and shares is expressed or implied.	"Share"
Words importing the singular number include, where the context admits or requires, the plural number and vice versa.	"Singular number"
"Special Resolution" shall have the meaning assigned thereto by Section 189 of the Act.	"Special Resolution"
"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act. Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.	"Year" and "Financial Year"

### **CAPITAL AND INCREASE AND REDUCTION**

- \* 3. The Authorised Share Capital of the Company is Rs. 66,00,00,000/- (Rupees Sixty Six Crores only) divided into 13,20,00,000 (Thirteen Crores Twenty Lacs) equity shares of Rs. 5/- (Rupees Five only) each. Amount of capital.
- \* a) Inserted by an Ordinary Resolution passed through Postal Ballot on 7<sup>th</sup> July 2016.
- b) Amended pursuant to the Scheme of Merger by absorption of PRS Permacel Private Limited with Grindwell Norton Limited and their respective Shareholders under Section 230-232 of the Companies Act, 2013, sanctioned by the National Company Law Tribunal, Mumbai Bench vide its Order dated June 22, 2023.
4. The Company in General Meeting may, from time to time, by an Ordinary Resolution increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act. Nothing in this Article shall apply to an increase effected by Section 94A of the Act or in pursuance of any direction issued by the Central Government under Section 81 (4) of the Act. Increase of capital by the Company, and how carried into effect.

- New Capital same as existing capital.
5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares, shall be considered as part of the existing capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- Redeemable Preference Shares.
6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the redemption may be effected in the manner and subject to the terms and provisions of its issue, and failing this the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
- Provisions to apply on Issue of Redeemable Preference Shares.
7. On the issue of redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect :-
- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
  - (b) no such shares shall be redeemed unless they are fully paid;
  - (c) the premium, if any, payable on redemption must have been provided for, out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
  - (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, they shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company, shall, except as provided in Section 80 of the Act, apply as if the "Capital Redemption Reserve Account" were paid-up share capital of the Company.
  - (e) the dividends in regard to the preference shares shall be governed by Preference Shares (Regulation of Dividends) Act, 1960 to the extent applicable.
- Reduction of capital.
8. The Company may (subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its capital and any "Capital Redemption Reserve Account" or other premium account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if were omitted.

9. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of the share capital.
- Sub-division and consolidation of shares.
10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges, attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a special resolution passed at a separate Meeting of the holders of the issued shares of that class and all the provisions hereinafter contained as to General Meetings shall, mutatis mutandis apply to every such meeting, but so that the quorum thereof shall be two persons at least holding or representing by proxy three-fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges, shall, unless otherwise expressly provided by the terms of the issue of shares or that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* therewith.
- Modification of rights.

### SHARES AND CERTIFICATES

11. The Company shall cause to be kept a register of members in accordance with Section 150 of the Act and (if required) keep an index of members in accordance with Section 151 of the Act and a register and index of debenture holders in accordance with Section 152 of the Act.
- Register and Index of Members.
12. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner herein before mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
- Shares to be numbered progressively and no share to be sub-divided.

Restriction on allotment.

13. The Board shall observe the restrictions as to allotment of shares to the public contained in Sections 69(3) and 70 of the Act, and shall cause to be made the returns as to allotment, provided for in Section 75 of the Act.

Further Issue of capital.

14. (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation (whichever is earlier) the Board decides to increase the capital of the Company by the issue of new shares, then, subject to any directions to the contrary which may be given by Company in General Meeting, and subject only to those directions, such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date; and such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
- (2) Notwithstanding anything contained in Clause (1), the further shares therein referred to may be offered to any persons (whether or not those persons include the persons referred to in Clause (1)) in any manner whatsoever either;
- (i) If a special resolution to that effect is passed by the Company in general meeting or;
- (ii) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal (contained in the resolution moved in that general meeting, including the casting vote, if any, of the Chairman by members who, being entitled so to do vote in person or, where proxies are allowed, by proxy) exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf, that the proposal is most beneficial to the Company.
- (3) Nothing in Clauses (1) and (2) of the Article shall apply to the increase of the subscribed capital caused by an exercise of option attached to debentures issued or loans raised to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company provided that the terms of the issue of such debentures or of such loans include a term providing for such option and such term has been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans and also, the same has either been approved by the Central Government before the issue of the debentures or the raising of the loans or in conformity with the rules, if any, made

by that Government in this behalf. Nothing in this article shall apply to the conversion of any debentures or loans into shares in pursuance of the directions given by the Central Government under Section 81 (4) of the Act;

- (a) If and whenever, as a result of issue of new shares or the consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Directors may, subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting:-
- Fractional certificates
- (i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with others fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time, and if at the expiry of such time, any fractional certificates shall be deemed to be cancelled the Directors shall sell the shares represented by such cancelled fractional certificates for the best price reasonably obtainable or;
- (ii) To sell the shares represented by all such fractional parts for the best price reasonably obtainable.
- (b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Directors shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.
- (c) For the purpose of giving effect to any such sale, the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.
15. The Company shall not issue any shares (not being preference shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being Preference Shares).
- No issue with disproportionate rights.
16. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons (whether members or not) on such terms and conditions and at such times as the Directors think fit and with full power (with the sanction of the Company in General Meeting) to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount and for such time and for such consideration as the Directors may think fit. "Provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting". The Board shall cause to be made the returns as to allotment provided for in Section 75 of the Act.
- Shares under control of Directors.

Power also to  
Company in  
General  
Meeting to  
issue shares.

17. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par, or at a discount, such option being exercisable at such times and for such considerations as may be directed by such General Meeting; or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Acceptance of  
shares.

18. Any application signed by or on behalf of any applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a Member.

Deposit and  
calls etc., to  
be a debt  
payable  
immediately.

19. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of  
Members.

20. Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner, as the Board shall, from time to time, in accordance with the Company's regulations require to fix for the payment thereof.

21. (a) Every Member or allottee of shares, shall be entitled, without payment, to receive one certificate specifying the name of the persons in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or of its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power-of-attorney and the Secretary or some other person appointed by the Board for the purpose, and the two Directors or their attorneys and the Secretary or other person shall sign the share certificate; provided that if the composition of the Board permits it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole-time Director and particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.
- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee one. The Company shall comply with the provisions of Section 113 of the Act, and the Rules framed thereunder.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
22. (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or, where the cages on the reverse, for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. The Company shall be entitled to charge such fee, not exceeding Rupees two per certificate, for any certificate issued on splitting or consolidation of share certificates or for any replacement of share certificates that are defaced or torn as the Board thinks fit. "Provided that no fee shall be charged for issuing new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised."

Share  
Certificates.  
Member's  
rights.  
Certificates  
to be issued  
pursuant to  
Board  
Resolution

Renewal of  
Share  
Certificate.

Notwithstanding anything contained in this Article, the Board may in its absolute discretion refuse applications for the sub-division or consolidation of share certificate(s) into denominations of less than the marketable lot except when such sub-division or consolidation is required to be made to comply with a statutory provision or an order of a competent court of law.

- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No. sub-divided/ replaced/on consolidation of shares".
- (c) If share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rupees two as the Board may from time to time fix, and on such terms, if any, as to evidence and indemnity as to payment of out-of-pocket expenses incurred by the Company in investigating evidence as the Board thinks fit.
- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No. ". The word "duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars, of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicated against the name of the persons to whom the certificate is issued, the number and date of issue of share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross references in the "Remarks" column.
- (f) All blank forms to be issued for issue of share certificate shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purposes; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation of safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f).
- (h) All books referred to in clause (g) shall be preserved in good order permanently.
- (i) In the event of any amendment to the Companies (Issue of Share Certificates) Rules 1960, the provisions herein-above contained shall, to the extent of such amendment, stand superseded and modified.

Register of  
duplicate  
shares.

23. If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus, or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.
- The first named of joint-holder deemed sole holder.
24. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- Company not bound to recognise any interest in share other than that of registered holder.
25. None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act.
- Company not to purchase its own shares.

### **UNDERWRITING AND BROKERAGE**

26. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission and/or brokerage to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company; but so that the commission and/or brokerage shall not exceed in the case of shares five percent of the price at which the shares are issued, and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission and/or brokerage may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other. No commission and/or brokerage shall be paid under this Article to any person for shares or debentures which are not offered to the public for subscription. Provided however, that where a person has subscribed or agreed to subscribe for any shares in or debentures of the Company and before the issue of the prospectus or statement in lieu thereof, any person or persons have subscribed for any or all those shares or debentures and that fact together with the aggregate amount of commission and/ or brokerage, payable under this Article in respect of such subscription is disclosed in such prospectus or statement, then the Company may pay commission and/or brokerage to the first mentioned person in respect of such subscription.
- Commission and/or brokerage may be paid.

## COLLABORATION AGREEMENT

27. On 7th October, 1967, the Company has entered into the following Agreements with Norton Company of Worcester, Massachusetts, U.S.A. (hereinafter in these Articles referred to as "Norton");

1. Collaboration Agreement
2. Technical Licence Agreement
3. Name Licence Agreement
4. Share Option Agreement.

On the same 7th day of October, 1967, the Company has entered into an Export Sales Agreement with Norton International Incorporated of Worcester, Massachusetts, U.S.A.

The Directors shall carry the said Agreements into effect with full power to agree with Norton and Norton International Inc. to any modifications and changes in the terms and conditions of the said Agreements.

As long as the Collaboration Agreement and Technical Licence Agreement shall remain in force, the Company shall be bound by the terms and conditions contained in the said Agreements and every member of the Company present and future shall be deemed to have joined and to join the Company on that basis.

The Collaboration Agreement and the Share Option Agreement provide for an option to Norton to participate in the Capital structure of the Company to the extent and in the manner set out in the said Agreements.

27A. Under the Name Licence Agreement mentioned in Article 27 above, option is reserved to Norton to require the use of the name Norton as part of the Company's corporate name and also as part of the Company's trade name. The option is to be exercised on the terms and subject to the conditions set out in the said Agreement. If at any time after Norton has required the use of the name "Norton", it or its successors and assigns cease to hold at any time a minimum of 25% of the then issued and subscribed equity share capital of the Company or if the Technical Licence Agreement referred to in Article 27 above has been terminated then Norton, its successors and assigns shall be entitled by a written notice to call upon the Company to discontinue use of the word "Norton" within the time and in the manner provided in the said Name Licence Agreement. The share holders of the Company shall be deemed to have undertaken to exercise their rights as such shareholders and specifically their voting rights in such manner as would enable the Company to comply with or implement the provisions of this Article and shall be deemed to have joined or to join the Company hereafter on that basis.

### INTEREST OUT OF CAPITAL

28. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the works or building, or the provisions of plant. The payment of interest shall not operate as a reduction of the amount paid on the shares in respect of which it is paid.
- Interest may be paid out of capital.

### CALLS

29. The Board may, from time to time, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on the account of the nominal value of the shares or by way of premium) held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.
- Board may make calls.
30. Where any calls for further share capital is made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.
- Calls on shares of same class to be made on uniform basis.
31. Where the Company issues shares at a premium, whether for cash or otherwise, the following provisions shall take effect :-
- Application of premiums received on shares.
- (a) A sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "the Share Premium Account" and the provisions of the Act relating to reduction of share capital shall except as provided in Section 78 of the Act or hereunder apply as if the Share Premium Account were paid-up capital of the Company.
- (b) The Share Premium Account may be applied for any of the purposes mentioned in sub-section (2) of Section 78 of the Act as the Directors may think fit.
32. Twenty-one days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be Paid.
- Notice of calls.
33. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.
- Calls to date from resolution.

- Several liability of joint-holders. 34. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- Extension of time for payment of calls. 35. The Board may, from time to time, at its discretion extend the time fixed for the payment of any call, and may extend such time as to call on any of the Members who from residence or at a distance or other cause, the Board may deem fairly entitled to such extension; but no Member shall be entitled to such extension save as a matter of grace and favour.
- Calls to carry interest. 36. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member and the Board shall be at liberty to waive payment of such interest either wholly or in part.
- Sums deemed to be calls. 37. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premiums, shall for the purposes of these Articles be deemed to be a Call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- Proof on trial of suit for money due on share. 38. On the trial or hearing of any notice or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company either on a call or otherwise in respect of his shares it shall be sufficient to prove that the name of the Members in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or as one of the holders at or subsequently to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered, that the resolution making the calls is duly recorded in the minute book; and the notice of such call was duly posted to the member or his representatives sued in pursuance of this Article; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors, was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.
- Partial payment not to preclude forfeiture. 39. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

40. (1) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amounts of his shares beyond the sums actually called up, and upon the moneys so paid in advance, or upon so much thereof as from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as may be determined by it. The Board may either agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Payment in anticipation of calls may carry interest.
- (2) No member paying any such sum in advance shall be entitled to dividend or to participate in the profits of the Company or to voting rights in respect of the monies so paid by him until the same would, but for such payment become presently payable.
41. (a) The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 24 is to have full effect and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Company's Lien on Shares.
- (b) For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit, and for that purpose, may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such member. But no sale shall be made unless a sum in respect of which the lien exists is presently payable and served on such members, his executors or administrators or his committee, curator or other legal representative as the case may be and default shall have been made by him or them in payment of the payable sum as aforesaid for fourteen days after the date of such notice. As to enforcing lien by sale.
42. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and residue, if any, shall (subject to a like lien for sums not presently payable, as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale. Application of proceeds of sale.
43. If any Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. If money payable on share not paid, notice to Member.

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| Terms of notice.   | 44. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate as the Directors shall determine from the day on which such call or instalment ought to have been paid, and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.  |
| In default of payment, shares to be forfeited.                             | 45. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and/or bonus declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.  |
| Notice of forfeiture to a member and entering in register.                 | 46. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members, but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.  |
| Forfeited share to be property of the Company and may be sold etc.         | 47. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other persons upon such terms and in such manner as the Board shall think fit.   |
| Member still liable to pay money owing at time of forfeiture and interest. | 48. Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as may be determined by the Board and the Board may enforce the payment thereof, if it thinks fit.   |
| Effect of forfeiture.  | 49. The forfeiture of share shall involve extinction at the time of the forfeiture of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by those presents are expressly saved.  |
| Evidence of forfeiture.  | 50. A declaration in writing that the declarant is a Director or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.  |
| Validity of sale after forfeiture.   | 51. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. |

52. Upon any sale, re-allotment or other disposal under the provisions of the proceeding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and becoming null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto. Cancellation of share certificates in respect of forfeited shares.
53. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of annul the forfeiture thereof upon such conditions as it thinks fit. Power to annul forfeiture.

### TRANSFER AND TRANSMISSION OF SHARES

54. (a) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share. Register of Transfers.
- (b) The instrument of transfer shall be in writing and the provisions of Section 108 of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
55. The Board shall have power on giving not less than seven days' previous notice by advertisement in a newspaper circulating in Bombay to close the transfer books, the register of members or register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as to it may seem expedient. Transfer books when closed.
56. Subject to the provisions of Section 111 of the Act and subject as hereinafter mentioned, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares, (notwithstanding that the proposed transferee is already a Member) but in such case it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer, Provided that;
- (1) the Board shall not refuse to register transfer or transfers of any shares made at any time by Norton.
- (2) the registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except a lien on the shares. Directors may refuse to register transfers.
57. Where in the case of partly paid shares an application for registration is made by the transferor the Company shall give notice of the application to the transferee in accordance with provisions of Section 110 of the Act. Notice of application when to be given.

- Death of one or more joint holders of shares.
58. In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
- Title to shares of deceased Member.
59. The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased (not being one or two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such Member, and the Company shall not be bound to recognise such executors or administrators or holders of Succession Certificate or the legal representatives unless such executors or administrators shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise, as the Board, in its absolute discretion may think necessary, and under Article 58 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.
- Registration of persons entitled to shares otherwise than by transfer.
60. Subject to the provisions of the preceding two Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by marriage of a female member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder; provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and, until he does so he shall not be freed from any liability in respect of the shares.
- Persons entitled may receive dividend without being registered as member.
61. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the shares.
- Transfer to be presented with evidence of title.
62. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the share and generally under and subject to such conditions and regulations as the Board may from time to time prescribe; and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
- Conditions of registration of transfer.
63. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.

64. The Company shall not charge any transfer, transmission, splitting or consolidated fees, for shares into lots of the trading unit. There shall be paid to the Company, in respect of transfer, transmission, splitting or consolidation of shares into lots other than the trading unit, such sum not exceeding Rs. 2/- as the Directors may require per share. Fee on transfer or transmission.
- 64A. Notwithstanding anything contained in Article 64 of the Articles of Association of the Company the Board of Directors may at their discretion charge and recover the stamp duty payable on share certificates issued in replacement of those that are torn, defaced, lost or destroyed or issued as splitting or consolidation of share certificates into denominations other than a marketable lot, and such payment should be made by the shareholder along with the application in respect thereof. Stamp duty on share certificates.
65. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title, or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit. The Company not liable for disregard of a notice in prohibiting registration of a transfer.

### **BORROWING POWERS**

66. Subject to the provisions of Sections 292 and 293 of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from the short term loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting, to be obtained by a resolution which shall provide for the total amount upto which moneys may be borrowed by the Board. Provided further that when inviting deposits either from the public or from its own members, the Company shall comply with the provisions of Section 58A of the Act. Power to borrow.

The payment, or re-payment of moneys borrowed.

67. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debenture or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of debentures.

68. Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that shall be convertible into shares of denomination and with any privileges or conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

Register of Mortgages etc., to be kept.

69. The Board shall cause proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, (within the time prescribed by the said Section or such extensions thereof as may be permitted by the Company Law Board or the Court or the Registrar as the case may be) so far as they fail to be complied with by the Board.

Register and Index of Debenture holders.

70. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 of the Act.

### **CONVERSION OF SHARES INTO STOCK**

Shares may be converted into stock.

71. The Company in General Meeting may convert any paid up shares into stock, and when shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as, and subject to which the shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid up shares of any denomination.

72. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred the privilege or advantage.

## MEETING OF MEMBERS

73. The Company shall hold its first Annual General Meeting within 18 months from the date of incorporation of the Company, and if such General Meeting is held within that period, it shall not be necessary for the Company to hold any annual general meeting in the year of its incorporation or in the following year, but subject to the aforesaid provisions the annual general meetings shall be so held that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) (c) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday and shall be held at the Registered Office of the Company or at some other place in the City of Bombay as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may by a resolution passed at one annual general meeting fix the time for its subsequent annual general meetings. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance the meeting. The Board shall prepare the annual list of Members, Summary, and Balance Sheet, and forward the same to the Registrar of Company, in accordance with Sections 159, 161 and 200 of the Act.
- Annual or  
Ordinary  
General  
Meeting  
Annual  
Summary.
74. The Board of Directors, may whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of the paid-up Capital upon which all calls or other sums then due have been paid.
- Extraordinary  
General  
Meeting.
75. Any valid requisition so made by Members must state the object or objects of the Meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- Requisition  
of Members  
to state object  
of meeting.
76. Upon the receipt of any such requisition the Board shall forthwith call Extraordinary General Meeting and if they do not proceed within twenty one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than 45 days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within fortyfive days from the date of the delivery of the requisition as aforesaid
- On receipt of  
requisition,  
Directors to  
call meeting  
and in default  
requisitionists  
may do so.

Meeting called by requisitionists.

77. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

Twenty one days' notice of meeting to be given.

78. Twenty one days' notice, at the least of every General Meeting, Annual or Extraordinary and by whomsoever called specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereof, shall be given in the manner hereinafter provided to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting with the consent of Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting if any business other than (i) the consideration of the accounts, balance sheets and reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any event, there shall be annexed, to the notice of the meeting, a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein, of every Director, and the Manager (if any). Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Provided that, where any item of special business as aforesaid to be transacted at a meeting relates to, or affects, any other Company, the extent of the shareholding interest in that other Company of every director, managing agents, secretaries and treasurers and Manager, if any, of the Company shall also be set out in the statement but only if the extent of such shareholding or interest is not less than twenty per cent of the paid-up share capital of that other Company.

Omission to give notice not to invalidate a resolution passed.

79. The accidental omission to give any such notice as aforesaid, to any of the Members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

80. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notices upon which it was convened.

Quorum at General Meeting.

81. Five Members present in person shall be a quorum for a General Meeting. A corporation being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

If Quorum not present meeting to be dissolved or adjourned.

82. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of Members, shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time, and place as the Board may determine, and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.

83. The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board of Directors, or if at any meeting he shall not be present within ten minutes of the time appointed for holding such meeting or shall decline to take the chair then the Managing or any other senior (where seniority is based on the number of years of service as a Director of the Company) Director present thereat shall be entitled to take the chair and failing him the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of their member to be Chairman.
- Chairman of General Meeting.
84. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the chair is vacant.
- Business confined to election of chairman whilst chair vacant.
85. The Chair with the consent of the meeting may and shall if so directed by the meeting adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- Chairman with consent may adjourn meeting.
86. At any General Meeting a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is ordered to be taken by the Chairman of the meeting on his own motion or is (before or on the declaration of the result of the show of hands) demanded by any member or members present in person or by proxy and holding shares in the company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the said resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid-up.
- Questions at General Meeting how decided.
- Unless a poll so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of fact, without proof of the number of proportion of the votes recorded in the favour of or against that resolution.
87. In the case of an equality of votes the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
- Chairman's casting vote.
88. If a poll is demanded aforesaid the same shall subject to Article 92 be taken at such time (not later than forty eight hours from the time when the demand was made) and place and either by open voting or by ballot as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- Poll to be taken if demanded.

- Scrutineers at poll. 89. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove scrutineer from the office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- In what case poll taken without adjournment. 90. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.
- Demand for poll not to prevent transaction of other business. 91. The demand for a poll, except on the questions of the election of the chairman and of an adjournment, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- Members in arrears not to vote. 92. No Member shall be entitled to vote either personally or by proxy for another Member at any General Meeting or meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, any right of lien and has exercised the same.
- Number of votes to which Member entitled. 93. Subject to the provisions of these Articles, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll every Member present in person or by proxy shall have one vote for every share held by him either alone or jointly with any other person or persons. Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of Sub-Section (2) of Section 87 of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
- Casting of votes by a Member entitled to more than one vote. 94. On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
- Voting by Members of unsound mind and minors. 95. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in Lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll, vote by proxy; if any Member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be elected in case of dispute by the Chairman of the meeting.

96. If there be joint registered holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint-holders be present at any meeting, that one of the said person so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof. Votes of joint Members.
97. Subject to the provisions of these Articles, a Corporation being a member may vote by any proxy or representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to speak, demand a poll, vote, appoint a proxy and in all other respects, exercise the rights of an individual Member and shall be reckoned as a Member for all purposes. The President of India or Governor of a State if he is a member of the Company, may act and vote at any meeting through any person appointed by him as his representative under Section 187A of the Act and the person so appointed shall be deemed to be a member and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the President or the Governor could exercise as a member of the Company. Voting in person or by proxy.
98. Any person, entitled under Article 61 to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Vote in respect of shares of deceased and insolvent Member.
99. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a Corporation under the common seal of such Corporation or the hand of its Attorney, who may be the appointee, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings. Appointment of proxy.
100. An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purposes of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting. Proxy either for specified meeting or for a period.
101. A member of the Company, whether present in person or by proxy, shall be entitled to vote either on a show of hands or on a poll and likewise, if a Corporation is a member, it shall be entitled to vote by a proxy whether on a show of hands or by poll. If the President of India or the Governor of a State be a member, he shall be entitled to vote in the manner prescribed Section 187A of the Act. Proxy entitled to vote on a show of hands.

- Deposits of instrument of appointment.
102. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of execution.
- Form of Proxy.
103. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
- Validity of votes given by proxy notwithstanding death of Member.
104. A vote given accordance with the terms of an instrument or proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed or transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- Time for objections of votes.
105. No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- Chairman of any meeting to be the Judge of validity of any vote.
106. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of a validity of every vote tendered at such poll.
- Minutes of General Meeting and inspection thereof by members.
107. The Company shall cause to be kept minutes of all proceedings of general meetings which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the Registered Office of the Company and shall open, during business hours, for such period not being less in the aggregate than two hours in each day as the Directors may determine, to the inspection of any Member without charge. The minutes aforesaid shall be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in the said book which shall have its page consecutively numbered. Each page of the book shall be initialled or signed and the last page of the record of the proceedings of each meeting in the book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a director duly authorised by the Board for that purpose. In no case shall the minutes be attached to any such book by pasting or otherwise. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting (a) is, or could reasonably be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. The minutes kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

## DIRECTORS

108. Until otherwise determined by a General Meeting and subject to Section 252 of the Act, the number of Directors shall not be less than three nor more than twelve excluding any Debenture Directors. Number of Directors.
109. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), The Industrial Reconstruction Corporation of India Limited (IRCI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Oriental Fire & General Insurance Company Limited (OFGI), The New India Assurance Company Limited (NIA), United India Insurance Company Limited (UI) or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government by themselves (each of the above and Unit Trust (UTI) are hereinafter in this Article referred to as "the Corporation") out of any loans/Debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any persons as a Director, whole-time or non-whole time, (which Director or Directors is /are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their place/s. Nominee Directors.

The Board shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid up or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of liability of the Company arising out of any Guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that, if any such Nominee Director/s is an Officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such whole-time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

Special  
Directors.

- 110 (1) The Company shall subject to the provisions of the Act, be entitled to agree with any person, firm, Corporation, government or statutory authority that he or it shall have the right to appoint his or its nominee on the Board upon such terms and conditions as the Company may deem fit.
- (2) Such nominees and their successors in Office appointed under this Article, shall be called Special Directors of the Company.
- (3) The Special Directors, appointed in terms of this Clause, shall be entitled to hold Office until requested to retire by the person, firm or Corporation who may have appointed them, and according to the terms and conditions determined by the Company such Special Directors may or may not be bound to retire by rotation.
- (4) The Special Directors shall not require any qualification and shall otherwise be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

111. The Board may appoint an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold Office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate Office if and when the Original Director returns to State. If the term of office of the Original Director is determined before he so returns to the State aforesaid, any provision in the Act or in these Articles for the automatic reappointment of a retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
- Appointment of Alternate Director.
112. Subject to the provisions of Sections 260, 261, 262, 264 and 284(6) of the Act, the Board shall have power, at any time, and from time to time to appoint any other qualified person to be a Director, either to fill a casual vacancy or as an Addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum fixed as above.
- Directors may fill up vacancies and add to their number.
113. A director need not hold any qualification shares.
- Qualification of Director.
114. The remuneration of each Director inclusive of Directors ex-officio shall be at such rate for each meeting of the Board or Committee of the Board attended by him and may be determined by the Board of Directors but not exceeding the sum as may be prescribed by the Act or the Central Government from time to time for each such meeting attended by him. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company or giving special attention to the business of the Company as a member of a Committee of Directors, then subject Section 198, 309 and 310 of the Act, the Company may remunerate the Directors so performing extra services or making special exertion or giving special attention or being a member of a Committee of Directors, either, by a fixed sum or by commission of like emoluments or by a percentage of profits or otherwise and such remuneration may be either in addition to or substitution for any other remuneration to which he may be entitled.
- Remuneration of Director.
115. The Board may allow and pay to any Director, who is not a bonafide resident of Bombay and who shall come to the Registered Office of the Company for the purposes of attending a meeting, such sum as the Board may consider fair compensation or for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the town where he normally resides or where the Registered Office of the Company is situated for the Company's business, he shall be entitled to be repaid and reimbursed any travelling, boarding, lodging or other expenses incurred in connection with the business of the Company.
- Travelling expenses incurred by Director not a bonafide resident of Bombay or by Director going out of Bombay on Company's business.

Remuneration  
of the  
members of  
the  
Committee.

116. (1) The Board, may subject to the provisions of Sections 198, 309,310 and 311 of the Act, from time to time fix the remuneration to be paid to any member of the Board constituting a committee appointed by the Directors in terms of these Articles and may pay the same.

Further  
remuneration  
of Directors

(2) Subject to Section 309 of the Act, the Company may by a Special Resolution determine that such of the Directors as are neither in the whole-time employment of the Company nor Managing Directors may be paid remuneration-

either

- (a) by way of a monthly, quarterly or annual payment with the approval of the Central Government; or
- (b) by way of commission, if the Company by way of Special Resolution authorises such payment.

Provided that, the remuneration paid to such Director, or where there is more than one such Director, to all of them together, shall not exceed-

- (i) one percent of the net profits of the Company, if the Company has a Managing or Whole-time Director or Manager;
- (ii) three percent of the net profits of the Company in any other case.

Provided further that the Company may in General Meeting, with the approval of the Central Government, authorise the payment of such remuneration at a rate exceeding one percent or, as the case may be, three percent of its net profits.

The net profits referred to above shall be computed in the manner referred to in Section 198(1).

In the absence of any direction to the contrary contained in the resolution aforesaid, the said remuneration of one percent or as the case may be, three percent, shall be distributed among such Directors in such proportion as may be decided by the Board.

(3) Subject to the provisions herein contained, if any Director be called upon to perform any extra services or special exertions or efforts (which expression shall include the work done by a Director as a Member of any Committee formed by the Directors) the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or otherwise as determined by the Board and such remuneration may be either in addition to or in substitution of his remuneration above prescribed.

117. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the minimum number fixed by Article 111 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.
- Directors may act notwithstanding vacancy
118. Subject to Sections 283 (2) and 314 of the Act, the Office of a Director shall become vacant if:
- When office of Directors to become vacant.
- (a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold the share qualification if any, required of him by these Articles; or
  - (b) he is found to be of unsound mind by Court of competent jurisdiction; or
  - (c) he applies to be adjudicated an insolvent; or
  - (d) he is adjudged an insolvent; or
  - (e) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others within six months from the date fixed for the payment of such calls, unless the Central Government has, by Notification in the Official Gazette, removed the disqualification incurred by such failure; or
  - (f) he or any of his relatives or partners or any firm of which he or any of his relatives is a partner or any of his relatives is a partner of any private Company of which he is a Director or Member (or any Director or Member of such a private Company) accepts or holds any office of profit under the Company, in contravention of Section 314, of the Act or
  - (g) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or
  - (h) he becomes disqualified by an order of Court under Section 203 of the Act; or
  - (i) he is removed in pursuance of Section 284 of the Act; or
  - (j) he (whether by himself or by any person for his benefitor on his account) or any firm in which he is a partner or any private Company of which he is a Director, accepts, a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
  - (k) he is convicted by a Court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or

- (l) by notice in writing to the Company, or to the Board he resigns his office; or
- (m) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.
- (n) he acts in contravention of Section 299 of the Act; or
- (o) he becomes disqualified by an order of the Court under Section 203 of the Act; or
- (p) he is removed in pursuance of Section 284 of the Act.

Director may  
contract with  
Company.

119. A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such firm or a private company of which the Director is a Member or Director may enter into any contract with the Company for the sale purchase or supply of goods, materials, services, or for underwriting the subscription of any shares, in, or debentures of the Company, provided the sanction of the Board is obtained by a resolution passed at the meeting of the Board before the date on which the contract is entered into or within three months thereof in accordance with Section 297 of the Act. No sanction however, shall be necessary in cases prescribed by sub-section (2) of Section 297 of the Act. Further more, nothing in this Article shall apply to any contract made in circumstances of urgent necessity which contract shall be regulated by sub-section (3) of Section 297 of the Act.

Disclosure of  
Interest.

120. For the purposes of the last preceding Article, a general notice given to the Board by a Director to the effect that he is a Director or a Member of a specified body corporate or is a Member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof, shall be of effect unless, either it is given at a meeting of the Board concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. Nothing in this Article or in the preceding Article, in so far as either of them incorporate the provisions of Section 299 of the Act, shall apply to any contract or arrangement saved by Clause (6) of Section 299 of the Act.

121. No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned, or interested in such contract or arrangement, or shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided that the Board or any of its members, may vote on any contract or indemnity against loss which it or any one or more of its members may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company, in which the interest of the Director aforesaid consist solely in his being a Director of such Company and the holder of not more than shares of such number or value therein, as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or in his being a member holding not more than two per cent of its paid-up share capital. This Article is subject to the provisions of sub-section (2) (e) of Section 300 of the Act.
- Interested Director not to participate in Board's proceedings.
122. The Company shall keep a register in accordance with Section 301 of the Act (as amended by the Companies (Amendment) Act 1960) and shall enter therein such of the particular as may be relevant having regard to the application thereto, of Section 297 or Section 299 of the Act as the case may be. The register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under the preceding two Articles. Nothing in this Article shall apply to any case to which clause (3A) of Section 301 of the Act, applies or to any contract or agreement for the sale, purchase or supply of any goods materials or services of the value of such goods or materials or the cost of such services does not exceed Rupees One thousand in the aggregate in one year. The register shall be kept at the Registered Office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.
- Register of contracts in which Directors are interested.
123. A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 309 (6) or Section 314 of the Act may be applicable.
- Directors may be Directors of Companies promoted by the Company.
124. Subject to the provisions of Articles 111,112 and 138 at every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. In the following Articles, "retiring Directors" means a Director retiring by rotation
- Retirement and rotation of Directors.

- Ascertainment of Directors retiring by rotations and filling of vacancies.
125. Subject to Section 256 of the Act, the Directors to retire by rotation under the last preceding Article at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot.
- Eligibility for reelection.
126. A retiring Director shall be eligible for re-election.
- Company to appoint successors.
127. Subject to Sections 258 and 261 of the Act the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.
- Provisions in default of appointment.
128. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned. meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:-
- (i) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost; or
  - (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so re-appointed; or
  - (iii) he is not qualified or is disqualified for appointment; or
  - (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provision of the Act; or
  - (v) The provision of Sub-section (2) of Section 263 of the Act, is applicable to the case.
- Company may increase or reduce the number of Directors.
129. Subject to Article 111 and to Sections 258 and 259 of the Act the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been so removed.

130. (a) No person, not being a retiring Director, shall be eligible for election to the office of Director at any General Meeting, unless he or some other Member intending to propose him has, at least fourteen clear days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature of the office of Director, or the intention of such Member to propose him, along with a deposit of five hundred rupees, which shall be refunded to such person or, as the case may be to such member, if the person succeeds in getting elected as a Director, and unless he has by himself or by his agent authorised in writing, signed and filed with the Registrar of Companies a consent in writing to act as such Director. This article shall not apply to persons exempt under sub-section (2) of Section 264 of the Act.
- Notice of candidature for office of Directors except in certain case.
- (b) On the receipt of the Notice referred to in clause (a) of this Article, the Company shall inform its members of the candidature of a person for the Office of Director of the intention of a member to propose such person as a candidate for that office, by serving individual notices on the members not less than seven days before the meeting, provided that it shall not be necessary for the Company to serve individual notices upon the members if the Company advertise such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in Bombay, of which one is published in the English language and the other in the regional language.
131. (a) The Company shall keep at its Registered Office a Register, containing the particulars of its Directors, Managers and Secretary and other persons mentioned in Section 303 of the Act and shall otherwise comply with the provisions of the said Section in all respects.
- Register of Directors, etc., and notification of change to Registrar.
- (b) The Company shall in respect of each of its Directors and Managers also keep at its Registered Office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.
- Register of shares or debentures held by Directors.
132. (a) Every Director, (including a person deemed to be a Director by virtue of the Explanation to sub section (1) of Section 303 of the Act) Managing Director, Manager, or Secretary of the Company shall, within twenty days of his appointment to, as the case may be, relinquishment of any of the above offices in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub section (1) of Section 303 of the Act.
- Disclosure by Director of appointment to any other body corporate.
- (b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, and every manager, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.
- Disclosure by Director of his holding of shares and Debentures of the Company etc.

### MANAGING DIRECTORS/WHOLE-TIME DIRECTORS

Board of Directors, may appoint.

133. Subject to the provisions of Article 110 and of Sections 197A, 267, 268, 269, 309, 310, 311 of the Act, the Board of Directors shall have power to appoint and to reappoint and from time to time remove the Managing Directors of the Company. The person or persons from time to time so appointed to fill such vacancies shall be appointed by the Board of Directors for a fixed time not exceeding five years at a time and upon such terms as the Board of Directors think fit, and subject to the provisions of Section 292 of the Act. The Board of Directors may by a resolution vest in such Managing Director or Managing Directors, Whole-time Directors such of the powers vested in the Board of Directors generally, as it thinks fit, and such powers may be made exercisable for such restrictions, and generally upon such terms as to remuneration and otherwise as it may determine. The remuneration of the Managing Directors/Whole-time Directors may be by way of monthly payment, fee for each meeting of participation in profits, or by any or all these modes.

Management

134. The Managing Director or Managing Directors/Whole-time Director shall not exercise the powers to:-

- (1) make calls on shareholders in respect of moneys unpaid on the shares in the Company.
- (2) issue debentures and
- (3) except as may be declared by the Board under Section 292 of the Act, invest the funds of the Company, or make loans and borrow moneys.

Certain persons not to be appointed Managing Directors/Whole-time Directors.

135. The Company shall not appoint or employ, or continue the appointment or employment of any person as its Managing or Whole-time Directors who:

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
- (b) suspends or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; or
- (c) is or has any time been, convicted by a Court of an offence involving moral turpitude.

Special position of Managing Director

136. Subject as hereinafter provided, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation in accordance with Article 126. If he ceases to hold the Office of Director he shall ipso facto and immediately cease to be a Managing Director/Whole-time Director; Provided that if at any one time the number of Managing Directors together with other non-retiring Directors shall exceed one-third of the total number of the Directors for the time being, then such number of the Managing Directors as shall be in excess of such one-third shall be liable to retirement by rotation in accordance with Article 126 and for the purposes of this provisions the Managing Directors not liable to retire by rotation shall be the senior Managing Directors or such number of the senior Managing Directors as shall not exceed the said one-third.

## PROCEEDINGS OF THE BOARD OF DIRECTORS

137. Subject to the provisions of Section 288 (2) of the Act, the Directors may meet together as a Board for the despatch of business from time to time and (unless the Central Government by virtue of the proviso to Section 285 of the Act, otherwise directs) shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. Meetings of Directors.
138. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. Quorum for meetings.
139. If a meeting of the Board could not be held for want of a quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting. Adjournment of meeting for want of quorum.
140. The Directors may from time to time elect from among their number, a Chairman of the Board and determine the period for which he is to hold office. The Directors may likewise appoint from among their number a Vice-Chairman and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman and the Vice-Chairman are not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting. Chairman.
- \*141. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of equality of votes, the Chairman of any meeting shall not have a second or casting vote. Questions at Board Meetings how decided.
- \* Inserted by a Special resolution passed in the 59<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> April, 2009
142. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, power and directions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally. Powers of Board Meeting.

Directors may appoint committees and delegate its powers.

143. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of their powers to a Committee of Directors consisting of such Director or Directors or one or more Directors and a Member or Members of the Company as it thinks fit or to the Managing Directors, the manager or any other principal officer of the Company or a branch office or to one or more of them together and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes; but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Provided that such delegation shall not be in respect of matters enumerated in sub-clauses (a), (b), (c), (d), or (e) of clause (1) (as modified by Explanation 11 thereof) of Section 292 of the Act, save and except that the said powers may be delegated only to the extent permitted by and subject to the restrictions and limitations contained in clauses (2), (3) and (4) of Section 292 of the Act.

Meeting of Committee, how to be governed.

144. The meetings and proceedings of any such Committee of the Board consisting of two or more Members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by Circular.

145. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together, with the necessary papers, if any, to all the Directors, or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or Members of the Committee, at their usual address and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them as are entitled to vote on the resolution.

Acts of Board or Committees valid notwithstanding informal appointment.

146. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

147. The Company shall cause minutes to be duly entered in a book or books provided for the purpose:

Minutes of proceedings and of Director and Committees to be kept.

- (i) of the names of the Directors present at such meetings of the Board, and of any Committee of the Board;
- (ii) of all orders made by the Board and Committee of the Board;
- (iii) of all resolutions and proceedings of meetings of the Board and Committees of the Board; and
- (iv) in the case of each resolution passed at a meeting of the Board or Committees of the Board the names of those Directors, if any, dissenting from or not concurring in the resolution.

Every such book shall be maintained and the minutes entered therein and signed in the manner laid down by Article 109, save and except that every page of the minutes book shall be initialled and signed in accordance with Clause (a) of Section 193 (1A) of the Act. The Minutes so entered and signed shall be received as evidence of the proceedings recorded therein.

### **POWERS OF DIRECTORS**

148. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate and prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting:

Powers of Directors.

- (a) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of compulsory acquisition of such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;

- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.
- (e) Contribute (subject to the limits laid down by Section 293 and 293A of the Act as amended by the Companies (Amendment) Act, 1960) to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profit, as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater;
- (i) Provided that the powers specified in Section 292 of the Act shall subject to these Articles be exercised only at meetings of the Board, unless the same be delegated to the extent therein stated;
- (ii) Provided further that in respect of the matter referred to in clauses (d) and (e) such consent shall be obtained by a resolution which shall specify the total amount upto which money may be borrowed by the Board under clause (d) or the total amount which may be contributed to a charitable or other fund in any financial year under clause (e);
- (iii) Provided further that "temporary loans" in clause (d) above shall mean loan repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of Bills and the issue of other short term loan of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature;

Certain powers of the Board.

149. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by those Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say power :-

To pay costs of promotion.

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

To pay Commission and interest.

- (2) To pay and charge to the capital account of the Company any commission or interest liability payable thereat under the provisions of Sections 76 and 208 of the Act.

To acquire property.

- (3) Subject to Sections 292, 297 and 360 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

- (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debenture, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. To pay for property in debentures or otherwise.
- (5) To insure and keep insured against loss or damages by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender, or discontinue any policies of assurance affected in pursuance of this power. Insurance.
- (6) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit. Conditions as to transfer.
- (7) To secure the fulfillment of and contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. To Secure Contracts by mortgage.
- (8) To accept from any Member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed. To accept from a member surrender of shares.
- (9) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes, and to execute and do all such deeds, and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees To appoint Trustee.
- (10) To institute, conduct, defend, compound or abandon, any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any difference to arbitration either according to Indian law or according to any foreign law and either in India or abroad, and observe, perform or challenge any awards made thereon. To bring and defend actions.
- (11) To act on behalf of the Company in all matters relating to bankrupts and insolvents. To act in insolvency matters.

- To give receipts.
- (12) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- To invest moneys.
- (13) Subject to the provisions of Sections 292, 293 (1) (a) 295, 369, 370, 372 and 373 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.
- To execute mortgage.
- (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- To authorise acceptances.
- (15) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, release, contracts and documents, and to give the necessary authority for such purpose.
- To distribute bonus.
- (16) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.
- To provide for welfare of employees and subscribe to charitable and other funds.
- (17) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons by building, or contributing to the building of houses, dwellings, or chawls, or by grants of money, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospital and dispensaries, mediject to the limits laid down by Sections 293 and 293A of the Act as amended by the Companies (Amendment) Act, 1960) as the Board shall think fit, to grant loans to the employees and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, political, or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.
- Bank Accounts.
- (18) To open accounts with any bank or bankers or with any Company firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.

- (19) Before recommending any dividend, to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to the Depreciation Fund, or to Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debenture, or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board, in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stock, and without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper, not exceeding nine per cent per annum.
- To create depreciation and other funds.
- (20) To appoint and at their discretion, remove or suspend such General Managers, Managers, Secretaries, Assistants, Supervisors, Scientists, Technicians, Engineers, Consultants, Legal, Medical or Economic Advisers, Research Workers, Labourers, Clerks, Agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and to fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- To appoint employees.
- (21) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.
- To comply with local laws.

- Local Board. (22) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be Members of such Local Boards, and to fix their remuneration.
- Delegation. (23) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys; and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board thinks fit and may at any time remove any person so appointed, and may annul or vary such delegation.
- Power of Attorney. (24) Subject to Section 48 of the Act, at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board think fit) be made in favour of the Members or any of the Members of any Local Board established as aforesaid or in favour of any company or the shareholders, directors, nominees or managers or any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit and may contain such powers for the protection of attorneys as aforesaid to sub-delegate all or any of the powers, authorities and directions for the time being vested in them.
- May make contracts. (25) Subject to Sections 293, 293A, 293B, 294, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

**EXECUTIVE COMMITTEE**

150. The Directors may, from time to time, appoint an Executive Committee consisting of not less than three and the following provisions shall apply thereto, that is to say:
- (a) The Directors may from time to time determine who shall be members of the Executive Committee provided that at least one of the members of the Executive Committee shall be a Director and all the members thereof shall be either the Manager, Secretary, employee or shareholder of the Company.
  - (b) Subject to the provisions of the Act, the Directors may, at any time and from time to time, make such regulations as they may think expedient in regard to the Executive Committee and in particular in regard to its powers and duties.
  - (c) Two members of the Executive Committee or one-third the number thereof, whichever is less, shall form a quorum and shall be competent to exercise all or any of the powers and duties vested in the Executive Committee by the Directors.
  - (d) Subject to any regulations made by the Directors and subject to the provisions hereof, the Executive Committee shall make such regulations as it thinks fit regarding its own meetings and proceedings. Minutes of all meetings or proceedings of the Executive Committee shall be placed before the Board at the next convenient meeting thereof.
  - (e) Subject to the provisions of the Act, the Directors may from time to time fix and determine the remuneration to be paid to each member of the Executive Committee and such remuneration may, subject as aforesaid, be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes, and shall be in addition to any remuneration payable to a member of the Executive Committee as a Director or otherwise under the provisions of these Articles.

**THE SECRETARY**

151. Subject to the provisions of Sections 197A, and 383A, of the Act, if applicable, the Directors may from time to time appoint, and at their discretion, remove, a person hereinafter called "The Secretary" to perform any functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

Secretary.

**THE SEAL**

The Seal, its custody and use.

152. (1) The Board shall provide Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given and in the presence of a Director of the Company or some other person appointed by the Directors for the purpose.
- (2) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

Deed how executed.

153. Every Deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a person appointed by the Directors for the purpose, be signed by the Managing Director or by two Directors provided nevertheless that certificates of shares shall be sealed as provided as per the Articles in that regard hereinbefore contained in accordance with the Companies (Issue of Share Certificates) Rules, 1960.

**DIVIDENDS**

Division of Profits.

154. The Profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid-up on the shares held by them respectively.

The Company in General Meeting may declare a Dividend.

155. The Company in General Meeting may declare dividends to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Dividends to be paid only out of profits.

156. No dividend shall be declared or paid except in accordance with Sections 205 and 205 A of the Act and no dividend shall carry interest as against the Company. The declaration of the Board as to the amount of the profits of the Company shall be conclusive. Where a dividend has been declared, either the dividend shall be paid or the warrant in respect thereof shall be posted to the shareholder entitled to the payment of the dividend within forty-two days from the date of the declaration of the dividend.

Interim dividend.

157. The Board may, from time to time, pay to the Members such interim dividend as in their judgment the position of the Company justifies.

158. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits or dividends. Capital paid up in advance at interest not to earn dividend.
159. The Company shall pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others. Dividends in proportion to amount paid up
160. The Board may retain the dividends payable upon share in respect of which any person is, under Article 63 entitled to become member or which any person under that Articles is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same, subject to the provisions of the Act. Retention of dividends until completion of transfer under Article.
161. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company; No Member to receive dividend whilst indebted to the Company.
162. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. Transfer of shares must be registered.
163. Unless otherwise directed, any dividend may be paid by cheque or warrant or by payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip lost in transmission, or for any dividend lost, to the Member or person entitled thereto, by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means. If two or more persons are registered as joint holders of any share or shares, any one of them can give effectual receipts for any moneys payable in respect thereof. Dividends how remitted.
164. No unclaimed dividend shall be forfeited and dividend unclaimed shall be dealt with in the manner prescribed by Sections 205A and 205B of the Act. Unclaimed dividends.
165. Any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend wholly or in part by the distribution of paid-up shares of the Company and the Board shall give effect to such direction, and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional certificates, and may determine that cash payment shall be made to any Member upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Board. Where requisite, the Directors shall comply with Section 75 of the Act, and the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividends and such appointment shall be effective. Special provision in reference to dividends.

Dividend and  
call together.

166. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the Members, be set off against the calls.

Capitalisation.

167. (a) The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Fund, or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

(b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income-tax, distributed among the Members on the footing that they receive the same as capital.

(c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payment shall be made to any Members upon the footing of the value so fixed or that fractions of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for Registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## ACCOUNTS

168. The Company shall keep at the office or at such other place in India as the Board thinks fit, proper books of account in accordance with Section 209 of the Act with respect to:
- Directors to keep true accounts.
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
  - (b) All sales and purchases of goods by the Company;
  - (c) the assets and liabilities of the Company,
- Where books of accounts to be kept.
- Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.
- (d) such particulars relating to the utilisation of material or labour or other items of costs to the extent governed by Clause (d) of Section 209 (1).
- Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall comply with the provisions of Sub-Section (1) of Section 209 of the Act.
169. When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the above Article if proper Books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or other place in India, at which the Company's books of account are kept as aforesaid.
- Summarized returns of Branch Offices to be mentioned.
170. (a) The books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be and explain its transaction and shall be open to inspection by any Director during business hours.
- Book to show true and fair view of the Company's affairs.
- (b) The books of accounts shall also be open to the inspection of the Registrar or other persons authorised by the Central Government pursuant to the provisions, in that regard, contained in Section 209A of the Act.
  - (c) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

As to inspection of account or books by Members.

171. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

Statement of Accounts to be furnished to General Meeting.

172. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by these sections, and by the form set out in part I of Schedule VI of the Act.

Accounts to be sent to each member.

173. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditor's Report and every other documents required by law to be annexed or attached to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the Members of the Company, to holders of debentures issued by the Company (not being debentures which **exfacie** are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notices of General Meeting of the Company.

Provided that nothing in this Article shall require the Company to send copies of the document aforesaid to the persons specified in proviso (b) to Section 218 (1) of the Act.

## AUDIT

Accounts to be audited.

174. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.

First Auditors to be appointed by the Board.

175. The first Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of Registration of the Company, and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting provided that the Company may, at a General Meeting remove any such Auditor or all of such Auditors and appoint in his or their place or places any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the meeting; Provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors.

Provided that before any re-appointment of an Auditor or Auditors is made by the Company in the Annual General Meeting, the written certificate shall be obtained by the Company from the Auditor or Auditors proposed to be so appointed to the effect that the appointment or re-appointment, if made, will be in accordance with the limits specified in Section 224 (1-B) of the Act.

176. Every account of the Company and the Directors' Report thereon when audited and approved by the members in General Meeting shall be conclusive provided that any such Account of the Company and the Directors' Report thereon may be amended thereafter on the recommendation of the Board and with the consent of the Company accorded by a SPECIAL RESOLUTION.

Accounts when audited and approved to be conclusive provided that they be amended thereafter by Company by a Special Resolution.

### DOCUMENTS AND NOTICES

177. (1) A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address) to the address, if any, in India supplied by him to the Company for serving documents of notices on him.
- (2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member and such service shall be deemed to have been effected in the case of a Notice of a Meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.
178. A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.
179. A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the documents or notice on or to the joint-holder named first in the Register of Members in respect of the share.
180. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of Member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Service of documents or notices on Members by Company.

Service when duly effected.

By advertisement.

On joint-holders.

On personal representatives etc.

- To whom documents or notices must be served or given.
181. Documents or notices of every General Meeting shall be served or given in some manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a Member and (c) the auditor or auditors for the time being of the Company. Provided that when the notice of the meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under Article 178, the statement of material facts referred to in Article 77 need not be annexed to the notice, as required by that Article but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.
- Member bound by documents as notices served on or given to previous holder.
182. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share, which previously to his name and address being entered in the Register of Members, shall have been duly served on or given to the person from whom he derives title to such shares.
- Document or notice by Company and signature thereto.
183. Any documents or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.
- Service of document or notice by Member.
184. All documents or notices to be served or given by Members on or to the Company or any Office thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office.

### WINDING-UP

- Liquidator may divide assets in specie.
185. The Liquidator on any winding-up (whether voluntary, under supervision, or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustee upon such trusts for the benefit of the contributories as the Liquidator with the like sanction shall think fit.

### INDEMNITY AND RESPONSIBILITY

- Directors' and others' right to indemnity.
186. Save and except so far as the provisions of this Article shall be avoided by Section 201 of the Act, the Board of Directors, Managers, Auditors, Secretary, and other officers or servants for the time being of the Company and the Trustees (if any) for the time being acting in relation to any of the affairs of the Company, and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective

offices or trusts except such (if any) as they shall incur or sustain through or by their own wilful neglect or default respectively, and none of them shall be answerable for the acts, receipts, or defaults of the other or others of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts or in relation thereto except the same shall happen by or through their own wilful neglect or default respectively.

not  
responsible  
for the acts of  
others.

### SECRECY

187. The Managing Director and every Director, Manager, Auditor, Member of a Committee, Officer, Servant, Accountant or other person employed in the business of the Company shall pledge himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall always be bound not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any meeting or by a Court of Law or by the person to whom such matters relate and except in so far as may be necessary in order to comply with any of the provisions in these Articles contained.

Secrecy  
Clause.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by Each Subscribers	Names, Addresses and Description of Witnesses
Mr. D. J. Poonawalla No. 4, Colaba Causeway Mendbot Road, Fort, Bombay (Industrialist)	1 (One)	Pervez K. Mazagonwalla Solicitor Lentin Chambers, Dalal Street, Fort, Bombay-400 001.
Mr. K.H. Doongaji 27, Souter Street Byculla, Bombay-400 009. (Merchant)	1 (One)	-do-
Mr. R.D. Sidhwa 53, Queens Road, Bombay-400 021. (Industrialist)	1 (One)	-do-
Mr. F.B. Lima 'Krishnabad', Warden Road, Bombay-400 026. (Technician)	1 (One)	-do-
Mr. E.J. Kaufman-Kavan 'Rockside', Walkeshwar Road, Bombay. (Technician)	1 (One)	-do-
Mr. N.D. Sidhva 17, Oliver Road, Jer Manzil, Bombay. (Technician)	1 (One)	-do-
Mr. P.M. Dalal Wadia Building, Princess Street, Bombay- 400 002. (Advocate, High Court Bombay.)	1 (One)	-do-
<b>TOTAL:</b>	<b>7 (Seven)</b>	



**NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**  
**COURT III**

23. C.P.(CAA)/88/MB/2023

IN

C.A.(CAA)/212/MB/2022

CORAM: SHRI H. V. SUBBA RAO, MEMBER (J)  
MS. MADHU SINHA, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL  
COMPANY LAW TRIBUNAL ON **22.06.2023**

NAME OF THE PARTIES: Grindwell Norton Limited  
SECTION 230(I) OF COMPANIES ACT, 2013

---

**ORDER**

**C.P.(CAA)/88/MB/2023**

Mr. Hemant Sethi appearing for the petitioner and Ms. Rupa Sutar appearing for the Regional Director are present.

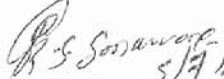
Ms. Rupa Sutar, representative of RD submits that most of the objections raised by the RD are routine in nature and RD has no objection for approving the scheme.

Heard the counsel appearing for the petitioner. The above company petition is **allowed**. Detailed order would follow:

Sd/-  
MADHU SINHA  
Member (Technical)  
//RKS//

Sd/-  
H. V. SUBBA RAO  
Member (Judicial)

Certified True Copy \_\_\_\_\_  
Date of Application 03/7/2023  
Number of Pages 1  
Fee Paid Rs. 5/-  
Applicant called for collection copy on 5/7/23  
Copy prepared on 5/7/2023  
Copy Issued on 05/7/2023

  
Deputy Registrar 5/7/2023

National Company Law Tribunal, Mumbai Bench



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT-III**

**C.P. (C.A.A.) /88/(MB)/2023  
IN**

**C.A.(C.A.A./212/(M.B)/2022**

In the matter of the Companies Act,  
2013;

AND

In the matter of Sections 230 to 232  
and other applicable provisions of the  
Companies Act, 2013

AND

In the matter of Scheme of  
Amalgamation (by way of Merger by  
Absorption) of PRS ERMACEL  
PRIVATE LIMITED (**"Transferor  
Company"**) with GRINDWELL  
NORTON LIMITED  
(**"Transferee Company"**)

**PRS PERMACEL PRIVATE LIMITED**

CIN: U74999MH1999PTC120475

PAN: AABCP4401A

Having its registered office at: 5<sup>th</sup> Level, Leela Business Park, Andheri  
Kurla Road, Andheri East, Mumbai 400059

**..... First Petitioner Company/  
Transferor Company**



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

**AND**

**GRINDWELL NORTON LIMITED**

CIN: L26593MH1950PLC008163

PAN: AAACG8725B

Having its registered office at: 5<sup>th</sup> Level,  
Leela Business Park, Andheri Kurla Road,  
Andheri East, Mumbai 400059

**..... Second Petitioner**

**Company/ Transferee Company**

Order delivered on 22<sup>nd</sup> June 2023

CORAM: **SHRI H.V. SUBBA RAO, HON'BLE MEMBER (Judicial)**  
**MS. MADHU SINHA, HON'BLE MEMBER (Technical)**

**Appearances:**

For the Petitioners : Mr. Hemant Sethi, Ms. Devanshi  
Sethi, i/b Hemant Sethi & Co.,  
Advocates

FOR Regional Director : Ms. Rupa Sutar,  
Deputy Director, in office of  
Regional Director, MCA(WR),  
Mumbai

**ORDER**

1. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petitions to the said Scheme.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Amalgamation (by way of Merger by Absorption) of PRS PERMACEL PRIVATE LIMITED ("Transferor Company") with GRINDWELL NORTON LIMITED, ("Transferee Company"). The entire share capital of the Transferor Company is held by the Transferee Company along-with its nominees. Accordingly, the scheme is of merger of a wholly owned subsidiary with its parent company. Upon the Scheme being effective the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company.
3. The Petitioner Companies have approved the said Scheme of Amalgamation by passing their respective Board Resolutions dated 29<sup>th</sup> July 2022 which are annexed to the Company Scheme Petition.
4. The Learned Advocate appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of this Tribunal and they have filed necessary affidavit of compliance.
5. Petitioners submit that the Transferor Company is primarily engaged in the business of manufacturing and trading of self-adhesive tapes and labels. Whereas, the Transferee Company is engaged in the business of manufacturing of grinding wheels in India as well as business of abrasives, ceramic materials businesses (silicon carbide and performance ceramics and refractories) and performance plastics and that the Transferee Company is a listed company having its



shares listed on BSE Limited and National Stock Exchange of India Limited.

6. The rationale for the Scheme is as follows:

*“With the ultimate objective of acquiring the ongoing business carried on by the Transferor Company and thereby broadening the product portfolio and alignment with global business interests, the Transferee Company entered into a Share Purchase Agreement dated 12<sup>th</sup> May 2022 with the erstwhile shareholders of Transferor Company to acquire 100% of the equity shares of the Transferor Company. This acquisition was completed on 27<sup>th</sup> May 2022 as a stepping-stone towards acquisition of the business undertaken by the Transferor Company.*

*Pursuant to the above referred acquisition, the main objective of Transferor Company is similar to one of the main objectives of Transferee Company and they form part of the same management. Thus, with a view to achieve the main objective of consolidation of business carried on by the Transferor Company and in order to maintain a simple corporate structure and eliminate duplicate corporate procedures, it is desirable to amalgamate Transferor Company into the Transferee Company. The amalgamation of Transferor Company into the Transferee Company shall enable effective management and unified control of operations. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.*

*The amalgamation of the Transferor Company into the Transferee Company with effect from the Appointed Date (as hereinafter defined) is in the interest of the shareholders,*



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

*creditors, employees and other stakeholders of the Transferor Company and the Transferee Company. Further, there is no likelihood that any creditor of the Transferor Company or the Transferee Company will be prejudiced as a result of the Scheme.* “

7. The Regional Director has filed his Report dated 20<sup>th</sup> June 2023 *inter-alia* making the following observations in Paragraphs 2(a) to (h) which are reproduced hereunder. The Petitioners have filed Affidavit in rejoinder dated 21<sup>st</sup> June 2023 to the observations made by the Regional Director and gave necessary clarifications/undertakings as follows:

<b>Para</b>	<b>Observation by the Regional Director</b>	<b>Undertaking/clarification of the Petitioner Company/ Rejoinder/ Affidavit in Response</b>
2(a)	In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.	As regards the observation made in Paragraph 2(a) of the said Report is concerned, it is submitted that the Second Petitioner Company being the Transferee Company shall pass such accounting entries which are necessary to comply with all other applicable Accounting Standards such as IND AS-8 etc. to the extent applicable.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

<p>2(b)</p>	<p>As per Definition of the Scheme, 'Appointed Date' means 27<sup>th</sup> May 2022 for merger of PRS into Grindwell;</p> <p>and</p> <p>'Effective Date' means the date or last of the dates on which the certified / authenticated copy of the order of the National Company Law Tribunal, Mumbai ("NCLT") sanctioning this Scheme is filed with the Registrar of Companies, in Mumbai by the Transferor Company and the Transferee Company;</p> <p>In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</p> <p>The Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	<p>As regards the observation made in Paragraph 2(b) of the said Report is concerned it is submitted that the Appointed Date is 27<sup>th</sup> May 2022 as mentioned in the Scheme which is in compliance with Section 232(6) of the Companies Act, 2013 and in compliance of the circular No. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs and further submits that the Scheme shall be effective from the Appointed Date as mentioned in Clause 2 of the Scheme.</p>
<p>2(c)</p>	<p>Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is</p>	<p>As regards the observation made in Paragraph 2(c) of the said Report is</p>



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

	<p>dissolved, the fee and stamp duty paid by the transferor company on its authorised capital shall be set-off against fees and stamp duty payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to undertake that the transferee company shall pay the difference of fees and stamp duty.</p>	<p>concerned, the Petitioner Companies submit that it undertakes to comply with section 232(3)(i) of Companies Act, 2013, where the Transferor company is dissolved, the fee and stamp duty paid by the Transferor company on its authorised capital shall be set-off against fees and stamp duty payable by the Transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to undertake that the Transferee company shall pay the difference of fees and stamp duty.</p>
2(d)	<p>The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with 7 subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.</p>	<p>As regards the observation made in Paragraph 2(d) of the said Report is concerned, the Petitioner Companies hereby state that the meeting of members and creditors were dispensed by the Hon'ble Tribunal on the basis of consent affidavits received from all shareholders and creditors as applicable to the respective petitioner company and hence the question of being approved by the requisite majority of</p>



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

		members and creditors as per Section 230(6) in the meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the requirement of placing the minutes before the Hon'ble Tribunal does not arise.								
2(e)	The Petitioner Company states that the Transferee Company shall be in compliance with provisions of Section 2(1B) of the Income Tax Act, 1961. In this regards, the petitioner company shall ensure compliance of all the provisions of Income Tax Act and Rules thereunder	As regards the observation made in Paragraph 2(e) of the said Report is concerned, is submitted that Petitioner Companies the undertakes to comply with all the provisions of Income Tax Act 1961 and rules thereunder including the provision of section 2(1B) of the Income Tax Act 1961.								
2(f)	It is observed from latest MGT-7 for the year ending 31.03.2022 filed by the petitioner companies that transferor company and transferee Company have following corporate body shareholders having more than 10% shareholding, but form Ben-2 has not been filed:-	As regards the observation made in Paragraph 2(f) of the said Report , it is submitted that the Petitioner Company state that, as per Section 90 of the Companies Act, 2013, the Form BEN-2 has to be filed for giving declaration with respect to the significant beneficial owners of the company, disclosing their interest in the company by way of								
	<table border="1"> <thead> <tr> <th>Name of the Company</th> <th>Name of the shareholder</th> <th>Percent age of shareholding</th> <th>Status of Ben-2</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of the Company	Name of the shareholder	Percent age of shareholding	Status of Ben-2					
Name of the Company	Name of the shareholder	Percent age of shareholding	Status of Ben-2							



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) / 88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

PRSPERM ACEL PRIVATE LIMITED (Transferor Company)	Stock Traders Private Limited	51.00%	<b>Not filed</b>	shareholding or voting rights. Significant beneficial owners are such individual shareholders holding indirectly, or together with any direct holdings, not less than ten percent, of the shares or voting rights. The Petitioner Companies hereby submit that there is/are no individual(s), holding indirectly, or together with any direct holdings, not less than ten percent, of the shares/voting rights in the shares of the Petitioner Companies (or in shares/voting rights in the shares of the respective Petitioner Companies), and hence, filing of form BEN-2, as per the provisions of Section 90 of the Companies Act, 2013, is not applicable to the Petitioner Company. Further, the Petitioner Companies undertake to comply with the provisions of Section 90 of the Companies Act, 2013 read with Companies Rules, 2018 as amended from time to time and make necessary filings with the Registrar of Companies as and when the provisions of Section
	Preroy Holdings AG	49.00%	<b>Not filed</b>	
	GRIND WELL NORTON LIMITED (Transferor Company)	Saint- Gobain Abrasive Inc	26.77%	
	Spafi Societe De Participations Financieres et Industrielles	24.56%	<b>Not filed</b>	
<p>Therefore, petitioner company may be directed to clarify and comply with the same as required u/s. 90 of the Companies Act, 2013 r.w. companies (Significant Beneficial Owners) Rules, 2018.</p>				



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

		90 of the Companies Act, 2013 are triggered and to the extent as applicable.								
2(g)	It is observed that the Transferor Company have foreign shareholder, therefore, petitioner company may be directed to comply with the provisions of FEMA/RBI.	As regards the observation made in Paragraph 2(g) of the said Report is concerned, the Petitioner Companies will comply with the provisions of FEMA/RBI, as to the extent applicable.								
2(h)	<p>That on examination of the report of the Registrar of Companies, Mumbai dated 14.02.2023 (<b>Annexed as Annexure A-1</b>) that all the Petitioner Companies fall within the jurisdiction of ROC, Mumbai. It is submitted that no complaint and /or representation regarding the proposed scheme of Amalgamation has been received against the Petitioner Companies. Further, the petitioner companies have filed Financial Statements up to 31.03.2022 further observations in ROC report are as under:-</p> <p>i. That the ROC Mumbai in his report dated 14.02.2023 has stated that no Inquiry, inspection, investigation &amp; prosecution is pending against the subject applicant companies.</p> <p>ii. As per MCA portal there are many open charges as under:-</p> <table border="1" data-bbox="493 1646 965 1825"> <tr> <td>100114113</td> <td>30.06.2017</td> <td>01.03.2019</td> <td>9,00,00,000</td> </tr> <tr> <td>10038821</td> <td>06.02.2007</td> <td>29.03.2022</td> <td>12,48,600</td> </tr> </table>	100114113	30.06.2017	01.03.2019	9,00,00,000	10038821	06.02.2007	29.03.2022	12,48,600	<p>As regards the observation made in Paragraph 2(h)(i) and (ii) of the said Report is concerned, the Petitioner Companies submit that the observations in the said paragraphs are merely factual in nature and no further response is required to that extent.</p> <p>As regards the observation made in Paragraph 2 (h)(iii) and (iv) of this Report is concerned, the Petitioner Companies undertakes that as per the provisions of Section 232(3)(1) of the Companies Act, 2013, where the transferor Company is dissolved, the fee, if any, paid by the transferor Company on its authorized capital shall be set-off against any fees payable by the</p>
100114113	30.06.2017	01.03.2019	9,00,00,000							
10038821	06.02.2007	29.03.2022	12,48,600							



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

				0 0 0	Transferee company on its authorized capital subsequent to the amalgamation.
10031 478	26.12. 2006	29.03. 2022	12,48,6 0,000		Therefore, remaining fee, if any after setting-off the fees already paid by the Transferor company on its authorized capital, will be paid by the Transferee Company on the increased authorized capital subsequent to the amalgamation.
<p>iii. It is submitted that as per the provisions of Section 232(3)(1) of the Companies Act, 2013, where the transferor Company is dissolved, the fee, if any, paid by the transferor Company on its authorized capital shall be set-off against any fees payable by the Transferee company on its authorized capital subsequent to the amalgamation. Therefore, remaining fee, if any after setting-off the fees already paid by the transferor company on its authorized capital, has to be paid by the transferee Company on the increased authorized capital subsequent to the amalgamation.</p> <p>iv. Interest of the Creditors should be protected.</p>					<p>Further, the Petitioner Companies submit that the Interest of the Creditors will be protected.</p>

8. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 8 above. The Representative of the RD has submitted that the explanations and clarifications given by the Petitioner companies are found satisfactory and that they have no objection to the Scheme.
9. The Official Liquidator has filed his report on 16<sup>th</sup> June 2023 in the Company Scheme Petition No. 88 OF 2023, inter alia, stating therein



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

that the affairs of the Transferor Company has been conducted in a proper manner.

10. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
11. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 88 OF 2023 is made absolute in terms of clauses (a) to (c) of the said Company Scheme Petition.
12. The First Petitioner Company / Transferor Company be dissolved without winding up.
13. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28 within 30 days from the date of receipt of the Order from the Registry.
14. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.
15. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
16. The Appointed Date is 27<sup>th</sup> May 2022.



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

17. Ordered Accordingly C.P. (C.A.A.) /88/(MB)/2023 is allowed and disposed of.

Sd/-

MADHU SINHA  
Member (Technical)

Sd/-

H.V. SUBBA RAO  
Member (Judicial)

Certified True Copy \_\_\_\_\_  
Date of Application 03/9/2023  
Number of Pages 13  
Fee Paid Rs. 65/-  
Applicant called for collection copy on 5/9/23  
Copy prepared on 5/9/2023  
Copy Issued on 05/9/2023



*P. S. Sonawane*  
Deputy Registrar 5/9/2023

National Company Law Tribunal, Mumbai Bench